

January 15, 2014

Item No. 10

**AUTHORIZATION TO EXERCISE THE TWO ONE-YEAR CONTRACT OPTIONS  
WITH OFFICE DEPOT FOR THE SUPPLY AND DELIVERY OF OFFICE SUPPLIES**

**To the Honorable Board of Commissioners:**

**RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the Chief Executive Officer (CEO) or his designee to exercise the two (2) one-year contract options with Office Depot for the supply and delivery of office supplies at the discretion of the CEO or his designee, subject to funding availability and satisfactory contract performance. The recommended not-to-exceed amount for the first one year option is \$95,000; the recommended not-to-exceed amount for the second one year option term is \$95,000.

The Senior Vice President, Asset Management, the Administrative Services Department and the Department of Procurement and Contracts have completed all necessary due diligence to support the request to exercise the two one-year contract options and recommend the approval of this item accordingly.

**CORPORATE GOAL**

The two proposed one-year year options for the supply and delivery of office supplies to the Chicago Housing Authority support the Plan Forward by extending these services to the Chicago Housing Authority ("CHA") supporting the office supply needs, as this office provides services to CHA residents.

**FUNDING**

General Fund, FY2014 & 2015 Funding Code: 9000100-4190-2

**CONTRACT SUMMARY**

**Vendor:** Office Depot  
515 Kehoe Blvd.  
Carol Stream , IL 60188

**Contract Type:** Contract

**Base Contract Term:** 2/1/13 to 1/31/14

**Option Periods:** Two (2) One-year options

**1<sup>st</sup> Option Term:** 2/1/14 to 1/31/15

**2<sup>nd</sup> Option Term:** 2/1/15 to 1/31/16

**Total Aggregate Contract Amount:**

**Base Contract Period:** 1 Year

**Base Contract Amount:** \$95,000.00 (NTE)

**1<sup>st</sup> Option Period Amount:** \$95,000.00 (NTE)

**2<sup>nd</sup> Option Period Amount:** \$95,000.00 (NTE)

**\$285,000.00 (NTE)**

### **GENERAL BACKGROUND /EXPLANATION**

Following the original solicitation and award, the CHA entered into a contract with Office Depot to supply and deliver office supplies to the CHA. The contract commenced February 1, 2013 for an initial term of one (1) year, with options to extend the contract for two (2) additional one-year periods.

The not-to-exceed amount for the base year term was \$95,000; because the dollar value of the base year term was under the \$100,000.00 threshold, Board approval was not required at the time the initial contract was executed. The recommended not-to-exceed amount for the first one year option is \$95,000; the recommended not-to-exceed amount for the second one year option term is also \$95,000. As a result of the requested authorization, the total aggregate contract amount shall be in an amount not-to-exceed \$285,000.00.

The Board action recommended in this item complies with all respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The Senior Vice President concurs with the recommendation to authorize the Chief Executive Officer, or his designee, to exercise either or both of the two (2) one-year options of the contract between Office Depot and Chicago Housing Authority at the discretion of the Chief Executive Officer or his designee, subject to funding availability and satisfactory contract performance.

The CEO/President recommends the approval of Contract No. 11208 with Office Depot, and the authorization of the CEO or his designee to exercise either or both of the two one-year contract options at the discretion of the CEO or his designee for the purpose of supply and delivery of office supplies, subject to funding availability and satisfactory contract performance. The recommended not to exceed amount for the first one year option is \$95,000; the recommended not to exceed amount for the second one year option term is \$95,000. The total aggregate contract amount is an amount not-to-exceed \$285,000.

**RESOLUTION NO. 2014-CHA-10**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter January 15, 2014 entitled "AUTHORIZATION TO EXERCISE THE TWO ONE-YEAR CONTRACT OPTIONS WITH OFFICE DEPOT FOR THE SUPPLY AND DELIVERY OF OFFICE SUPPLIES"

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** the Board of Commissioners authorizes the Chief Executive Officer or his designee to exercise either or both of the two (2) one-year contract options with Office Depot for the supply and delivery of office supplies, at the discretion of the Chief Executive Officer or his designee, subject to funding availability and satisfactory contract performance. The additional compensation for each of these options shall be in an amount not-to-exceed \$95,000 per year, resulting in total additional compensation in an amount not-to-exceed \$190,000.00 for the two option periods from February 1, 2014 through January 31, 2016. As a result of the requested authorization, the total aggregate compensation under the contract shall be in an amount not-to-exceed \$285,000.00.



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